

Introduced by Senator Escutia

February 17, 2005

An act to amend Sections 19461 and 19469 of, and to add Section 19471 to, the Welfare and Institutions Code, relating to rehabilitation services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 418, as introduced, Escutia. Rehabilitation loans.

Existing law creates the Rehabilitation Revolving Loan Guarantee Fund, administered by the Department of Rehabilitation, which is appropriated without regard to fiscal years for the purpose of guaranteeing loans to persons for the purchase of vans, automobiles, and other special equipment to facilitate transportation of the physically handicapped and to assist private employers and employees and other persons with disabilities to purchase adaptive aids and other devices.

Under existing law, one of the categories of persons eligible to receive loans under this fund is persons with disabilities who require a modified vehicle for mobility and who are ineligible for vocational rehabilitation services or who are eligible for vocational rehabilitation services but have been placed on the department's order of selection waiting list, subject to the requirement that the person be employed and require a vehicle to maintain that employment.

This bill would delete these vocational rehabilitation and employment requirements for eligibility under the fund. By eliminating these conditions of eligibility, and thus expanding the eligibility for persons who may receive loans under this continuously appropriated fund, the bill would constitute an appropriation.

Existing law prohibits any loan exceeding \$35,000 from being made to any eligible persons under the above provisions.

This bill would instead require that loans made to any eligible person be based on the person's ability to repay the loan.

Existing federal law provides for the award of grants to states to pay for the federal share of the cost of the establishment and administration of, or the expansion and administration of, an alternative financing program featuring one or more alternative financing mechanisms to allow individuals with disabilities and their family members, guardians, advocates, and authorized representatives to purchase assistive technology devices and assistive technology services. State eligibility for participation in this program is based on the state's previous award of continuity grants for technology-related assistance and other requirements including that the state enter into a contract with a community-based organization that has individuals with disabilities involved in organizational decisionmaking at all organizational levels for purposes of administering the federal alternative financing program.

This bill would require the department to enter into such a contract for purposes of receiving a federal grant award under this program.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19461 of the Welfare and Institutions
2 Code is amended to read:
3 19461. As used in this article, *the following definitions apply*:
4 (a) "Department" means the—State Department of
5 Rehabilitation.
6 (b) "Eligible persons" means any of the following, provided
7 that household income does not exceed the level prescribed for
8 moderate-income families by the Department of Housing and
9 Community Development pursuant to Section 50093 of the
10 Health and Safety Code:
11 (1) Parents of children with disabilities, who are living in the
12 home, and who require a modified vehicle for mobility, as
13 certified by a physician or the department.
14 (2) Persons with disabilities who require a modified vehicle
15 for mobility, as certified by a physician or the department, ~~and~~
16 ~~who have been found ineligible for vocational rehabilitation~~
17 ~~services from the Department of Rehabilitation or who are~~

1 ~~eligible for vocational rehabilitation services but have been~~
2 ~~placed on the department's order of selection waiting list. The~~
3 ~~person shall be employed, and require a vehicle to maintain that~~
4 ~~employment.~~

5 (c) "Eligible lender" means a financial institution organized,
6 chartered, or holding a license or authorization certificate under a
7 law of this state or the United States to make loans or extend
8 credit and subject to supervision by an official or agency of this
9 state or the United States.

10 SEC. 2. Section 19469 of the Welfare and Institutions Code is
11 amended to read:

12 ~~19469. No loan in excess of thirty-five thousand dollars~~
13 ~~(\$35,000) shall be~~ Loans made to any eligible person under this
14 article *shall be based on the person's ability to repay the loan.*

15 SEC. 3. Section 19471 is added to the Welfare and
16 Institutions Code, to read:

17 19471. The Department of Rehabilitation shall contract with a
18 community-based organization, including a group of these
19 organizations, that has individuals with disabilities involved in
20 organizational decisionmaking at all organizational levels, for
21 purposes of administering the federal alternative financing
22 program, established pursuant to Subchapter III (commencing
23 with Section 3051) of Chapter 31 of Title 29 of the United States
24 Code.